

**IN THE UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF ARKANSAS  
WESTERN DIVISION**

**ARKANSAS CENTER FOR PHYSICAL  
MEDICINE AND REHABILITATION**

**PLAINTIFF**

**4:19-CV-0004-BRW**

**CHEROKEE INSURANCE COMPANY**

**DEFENDANT**

**ORDER**

A question of subject-matter jurisdiction may be raised *sua sponte* at any time.<sup>1</sup> Federal court diversity jurisdiction requires an amount in dispute over \$75,000 and all the parties on one side of the controversy must be citizens of different states from all of the parties on the other side.<sup>2</sup>

Plaintiff's Complaint asserts that Defendant violated an Arkansas medical lien statute when it settled a claim without satisfying Plaintiff's outstanding lien. The lien was \$3,582.11 at the time of settlement, but \$670 when this case was filed. Plaintiff also seeks \$70,000 for "compensatory and punitive damages" and attorneys' fees.

First, I am dubious that the allegations rise to the level of punitive damages. Second, punitive damages of \$70,000 on a \$670 claim would be excessive under any standard.<sup>3</sup> Finally, no reasonable attorneys' fees could make up the difference to the \$75,000 minimum. Accordingly, I find to a legal certainty that Plaintiff's claims do not satisfy the amount-in-controversy requirement.<sup>4</sup> The Clerk of the Court is directed to immediately REMAND this CASE to Circuit Court of Pulaski, County, Arkansas.

IT IS SO ORDERED this 15th day of July, 2019.

Billy Roy Wilson  
UNITED STATES DISTRICT JUDGE

---

<sup>1</sup>*Bueford v. Resolution Trust Corp.*, 991 F.2d 481, 485 (8th Cir. 1993).

<sup>2</sup>28 U.S.C. § 1332; *Indianapolis v. Chase National Bank*, 314 U.S. 63, 70 (1941).

<sup>3</sup>*Dziadek v. Charter Oak Fire Ins. Co.*, 867 F.3d 1003, 1013 (8th Cir. 2017) (citing cases with punitive to compensatory ratios varying from 4 to 1 up to 8 to 1 – when there was "repeated trickery and deceit").

<sup>4</sup>*Larkin v. Brown*, 41 F.3d 387, 388 (8th Cir. 1994).